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SIPDIS  
SENSITIVE  
STATE FOR EAP/MTS  
STATE ALSO FOR EEB/ESC/IEC/ENR, S/CIEA  
ENERGY FOR PI-30 YOSHIDA AND PI-32 CUTLER  
COMMERCE FOR 4430 NADJMI AND 6930  
STATE PASS TO USTR EHLERS AND WEISEL  
STATE PASS TO USAID EGAT/ESP/GCC COLLIN GREEN

E.O. 12958: N/A  
TAGS: [ECON](#) [ENRG](#) [EPET](#) [EINV](#) [ID](#)  
SUBJECT: DAS YOSHIDA VISIT TO INDONESIA

¶1. (SBU) Summary. Department of Energy DAS Phyllis Yoshida met recently with Indonesian officials to discuss the timing of the next round of the Energy Policy Dialogue, and seek further engagement with the Indonesian government. Former Energy Minister Purnomo Yusgiantoro supported a near time frame for a new round and advocated greater renewable energy engagement. Officials from the National Development Planning Agency considered Yoshida's offer of greater engagement on clean energy policies to help mitigate climate change. A senior member of Parliament suggested ways that U.S. officials could engage members of Parliament to address resource nationalism. End Summary.

#### Energy Policy Dialogue Preparation

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¶2. (SBU) Then-Minister of Energy and Mineral Resources Purnomo Yusgiantoro discussed issues for the next round of the Energy Policy Dialogue, although he was aware that he would not retain the energy portfolio following the new cabinet appointments on October 21. Purnomo agreed with DAS Yoshida that the EPD should have a strong focus on energy efficiency and renewable energy in addition to traditional energy sources. Purnomo was interested in collaboration with NREL and Berkeley Labs. He cited a Chinese solar power project in Indonesia, which is intended to have a capacity of 50 MW. However, he insisted that Indonesia "already gets too much from China, and we want balance" from other countries.

¶3. (SBU) DAS Yoshida also stressed issues of cost recovery in a meeting with Saryono Hadiwidjoyo, Director of Oil and Gas Downstream Development at the Ministry of Energy and Mineral Resources. She stated that contract sanctity was critical to attracting and retaining and foreign investment. Saryono discussed subsidy policy, citing Indonesia's search for ways to alter Indonesia's costly consumer fuel subsidies without harming lower-income Indonesians.

#### Climate Change and Energy Planning

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¶4. (SBU) In a meeting with National Development Planning Agency (BAPPENAS) officials Basah Herwono, Director for Forestry and Water Resources Conservation, and Montty Girianna, Director of Energy and Resources, DAS Yoshida focused on ways that DOE could collaborate on clean energy, including renewable energy, that would help mitigate climate change. She mentioned DOE's intention to provide a \$100,000 grant for the Indonesian Climate Change Task Force for energy issues. Yoshida highlighted that the new administration has declared energy a top priority, especially green growth goals. Basah and Montty committed to having proposals by November, most likely with a focus on an exchange of expertise.

#### Parliamentary Outreach

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15. (SBU) Member of Parliament Airlangga Hartarto made recommendations for greater engagement with Parliament. Airlangga was the head of Commission 7 in the previous Parliament, which handles energy, power, and resource issues. Indonesia's Parliament has become an advocate of resource nationalism, and Airlangga suggested several approaches to help current members of parliament incorporate international best practices and benchmarks in their energy legislation. He stated that DOE could help establish a program to increase the MPs' awareness and knowledge of resource issues, although he was unclear whether MP visits to the United States, or U.S. experts' visits to Indonesia, would be more beneficial. Airlangga also suggested exchanges that would increase the quality of the professional staff serving the commission and individual MPs. Finally, he observed that Parliament lacks a good library with electronic resources, limiting legislative research opportunities, and asked for assistance developing one.

16. (U) DAS Phyllis Yoshida cleared on this cable.

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